



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 9, 2007

Mr. Larry F. Clynch
Chairman
TPM Incorporated
PO Box 486
Alpharetta, GA 30009-0486

CPF 2-2007-6004M

Dear Mr. Clynch:

On April 4-5, 2006, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the TPM Integrity Management Plan in Memphis, Tennessee.

On the basis of the inspection, PHMSA has identified apparent inadequacies found within the TPM Integrity Management Plan (IMP), as described below:

- 1. 195.452(f) What are the elements of an integrity management program? (1) A process for identifying which pipeline segments could affect a high consequence area.**
 - a. TPM must amend its procedure to document its analysis for the dispersion of vapors in identifying high consequence areas (HCAs).

2. **195.452(f) What are the elements of an integrity management program? (8) A process for review of integrity assessment results and information analysis by a person qualified to evaluate the results and information.**
 - a. TPM must amend its procedure to have a formal and documented process to ensure that employees who review and evaluate integrity assessment results are qualified to perform the work.
 - b. The IMP should include or reference the hydrostatic pressure test procedure being used as the assessment method.
3. **195.452(f) What are the elements of an integrity management program? (3) An analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure.**
 - a. TPM must amend its plan to have formalized and documented guidance for the process of evaluating risk that requires consideration of all relevant risk categories when evaluating pipeline segment risk.
4. **195.452(i)(4) If an operator determines that an EFRD is needed on a pipeline segment to protect a high consequence area in the event of a hazardous liquid pipeline release, an operator must install the EFRD. In making this determination, an operator must, at least, consider the factors listed in 195.452(i)(4).**
 - a. The process to identify preventive and mitigative actions includes consideration of risk and covers a broad spectrum of alternatives including evaluating the need for EFRDs and leak detection capability. TPM must amend its procedures for documenting the actions that are considered or taken.
5. **195.452(f) What are the elements of an integrity management program? (5) A continual process of assessment and evaluation to maintain a pipeline's integrity.**
 - a. The continual process of evaluation and assessment must be documented with adequate technical justification.
6. **195.452(f) What are the element of an integrity management program? (7) Methods to measure the program's effectiveness.**
 - a. The IMP must include a documented process for performing program evaluations as required in 195.452(f)(7).

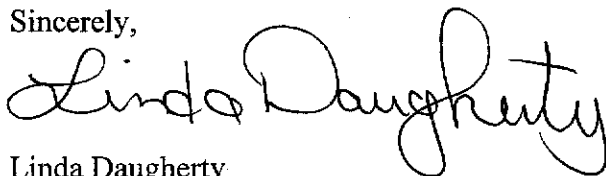
Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 45 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 2-2007-6004M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Linda Daugherty
Director, Southern
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*